

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL****FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

0 0 — 0 1 5

2. STATE:

Arizona

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2000

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Section 1931 and 1902(r)(2)

7. FEDERAL BUDGET IMPACT:

a. FFY 2000/2001 \$117,615

b. FFY 2001/2002 \$131,706

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

.Page 2 of Supplement 8b to Attachment  
2.6-AA  
.Pages 1-3 of Supplement 12 to  
Attachment 2.6-A9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):.Page 2 of Supplement 8b to Attachme  
2.6-A.Pages 1-3 of Supplement 12 to  
Attachment 2.6-A

10. SUBJECT OF AMENDMENT:

.Exclusion of resources  
.6 month disregard of nursing facility refunds

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Lynn Dunton

14. TITLE:

Assistant Director

15. DATE SUBMITTED:

December 11, 2000

16. RETURN TO:

AHCCCS

Mail Drop 4200

801 East Jefferson

Phoenix, Arizona 85034

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

December 18, 2000

18. DATE APPROVED:

6/22/01

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

October 1, 2000

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Linda Minamoto

22. TITLE:

Associate Regional Administrator  
Division of Medicaid

23. REMARKS:

3. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(I), (IV), and (V) and 1905(p) (QMB, SLMB, QI-1 and QI-2).

Rather than performing resource determinations as of the first day of the month, resource determinations may be made at any time during the month. If the individual's resources are within the resource limit at any time during the month, the individual will be eligible for the entire calendar month.

4. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(V) and 1902(a)(10)(E)(i).

Disregard the value of payments refunded by a nursing facility to an individual who is entitled to medical assistance for nursing facility services as required by Section 1919(c)(5) of the Social Security Act for a period of six months beginning the month the refund is received. However, transfer penalties will apply if a refund is transferred without receipt of adequate compensation.

5. Except for ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(ii)(I) of the Act, the following resource methodology applies to individuals described in 1902(a)(i) and (ii) who are covered under 1902(a)(10)(A)(ii)(1) i.e. Ribicoff children, 18 year old students and caretaker relatives.

All resources shall be excluded.

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

**State: ARIZONA**

---

**ELIGIBILITY UNDER SECTION 1931 OF THE ACT**

The State covers low-income families and children under section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

- X   Pregnant women with no other eligible children.
- X   AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training.
- X   Families with unemployed parents.

The State wants to continue providing Medicaid to all cash assistance recipients. All Medicaid eligibility provisions apply.

  X   In determining ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(ii)(I) of the Act, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996 except that the agency excludes an additional \$1,000 in resources, effectively increasing the resource standard to \$2,000.

  X   In determining eligibility for Medicaid, other than ALTCS, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications.

\_\_\_\_\_ The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988, as follows:

\_\_\_\_\_ The agency applies higher income standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

\_\_\_\_\_ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

  X   The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT****State: ARIZONA**

- 
2. Dependent child's earned income will be totally disregarded provided the child is enrolled at least half the time in any recognized elementary, secondary, or post secondary school.
  3. Dependent care deductions will be allowed as billed not to exceed the Title IV-A standard that was in place as of July 1996.
  4. Exclude all resources.
  5. The Fair Labor Standard Act "FLSA Supplement Income" payment by the State's TANF agency to Temporary Assistance to Needy Families (TANF) recipients engaging in uncompensated work activity, is disregarded as income.
  6. The one time lump sum TANF grant diversion payment is disregarded as income and as resources.
  7. Earned income received in the second and third month of eligibility is disregarded for recipients.
  8. Non-recurring lump sum payment other than the one-time lump sum grant diversion payment will be counted as income or a resource in the month received, whichever is less restrictive.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. The 30% or \$30 and 1/3 earned income disregard, whichever is greater.
2. Part-time students are eligible for disregard only if working part-time.
3. Dependent care deductions are allowed as paid not to exceed the Title IV-A standard that was in place as of July 1996.
4. \$2,000 resource standard.
5. None. This supplement payment was first implemented by the State's TANF agency in July 1999.
6. None. The TANF Grant Diversion program was first implemented by the state in October 1999.
7. None.
8. Lump sum payment counted as income in the month received and any remaining amount is considered as a resource in the following month.

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

**State: ARIZONA**

---

\_\_\_\_\_ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

X The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.

Waiver of §402(a)(41) and §407 of the Act and 45 CFR 233.100(a)(1) and (c)(1)(iii) and 233.101(a)(1) and (c)(1)(iii). A child will be considered deprived if the family income is below the applicable income payment standard, regardless of the number of hours the principal wage earner is employed.

---

TN No. 00-015

Supersedes

TN No. 99-011

Approval Date JUN 22 2001

Effective October 1, 2000